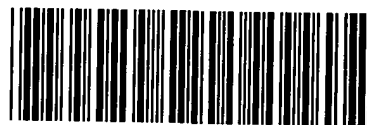


Company Registration number
02809261

Haymarket Group Limited
Annual report and financial statements
for the year ended 30 June 2015

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Haymarket Group Limited

Chairman's Statement

Haymarket Group consolidated its position as a leading provider of consumer and business-to-business media, specialist events and marketing information in the last financial year. The Group's portfolio generated healthy revenues and profits in the 12 months to June 30, reflecting the combined benefits of a solid operating performance in our core businesses, whilst we continue to execute our debt-reduction programme.

For the period covered in this Annual Report and Accounts Haymarket delivered a Group operating profit of £5.03m on revenues of £184.3m. This compares to Group operating profit of £4.6m in the previous 12-month period from turnover of £187.0m.

These are encouraging figures, particularly given the structural changes that are sweeping the media industry, driven by the continued transition from traditional print to digital platforms. The financial statements also demonstrate the favourable impact of our property rationalisation. The sale of our former offices in Teddington – completed after the year end – has been reflected through the revaluation of freehold property. Proceeds from this sale have been used to reduce debt levels significantly within the business, thereby strengthening our balance sheet.

The property rationalisation also enables us to focus on the development of our world-class consumer media and business information brands. We can continue that strategy, executed by a management team led by Chief Executive Kevin Costello, with a stable long-term shareholder structure.

Our strategy envisions continued expansion in our core markets of the UK and United States, where we are developing operations in areas such as motoring, marketing-communications, medical and information security. This includes promising growth in parts of our consumer media operations, particularly in the motoring segment where our Pistonheads and What Car brands are building a powerful online presence. Expansion is continuing in the US, which now accounts for a quarter of our total revenues, including contributions from recently-acquired Group DCA in the medical sector.

Like all media companies, Haymarket is not immune to the trends of advertising volatility, eroding print circulation and audience-migration to digital platforms. This will continue to require financial discipline and cost-efficiencies, in order to ensure that funds remain available to seize opportunities arising from structural changes in our industry.

I would like to thank the management team and our entire staff for their hard work and commitment, which has contributed to the healthy results at Haymarket for the period covered in this Annual Report and Accounts.

Haymarket Group Limited

Annual report and financial statements for the year ended 30 June 2015

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Haymarket Group Limited

Annual report and financial statements for the year ended 30 June 2015

Officers and professional advisers

Directors

The Rt Hon the Lord Heseltine CH (Chairman)

K Costello

J D Duckworth (resigned 20 May 2015)

D B Fraser

B J Freeman

M Gibson

The Hon R W D Heseltine

Lord Levene of Portsoken KBE

Company secretary

B J Freeman

Registered office

Bridge House

69 London Road

Twickenham

Middlesex TW1 3SP

Chartered Accountants and Statutory Auditor

Deloitte LLP

London

Banker

The Royal Bank of Scotland plc

Solicitor

Lewis Silkin LLP

London

Haymarket Group Limited Strategic Report

The Directors present their strategic report the year ended 30 June 2015. The directors, in preparing this strategic report, have complied with s414c of the Companies Act 2006.

Principal activities

The principal activities of the Group are the provision of editorial content and related services through multiple platforms, including magazines, websites, tablets and smartphones serving specialist audiences in both the business to consumer and the business to business markets. In addition, the Group organises a number of face-to-face activities including exhibitions, events and conferences in both markets.

The Group operates predominantly in the UK and USA but also operates in a number of other countries including Germany, Hong Kong, Singapore and India.

The Group has continued to invest in its online activities in order to exploit the commercial opportunities as it looks to meet the demands of its specialist audiences of trade professionals and consumer enthusiasts online.

Fair review of the business

The results for the year are set out on page 11.

Group turnover in the year to 30 June 2015 was £184.3 million (2014: £187.0 million).

Adjusted EBITDA for the year was £16.3 million, compared to £17.7 million in the previous year. Statutory group operating profit was £5.0m (2014: £4.6m). Trading during the year was ahead of budgeted expectations.

Expenditure on activities under development (including online activities) charged against profits was £2.5m, compared to £2.4m in 2014.

The Group made one small acquisition of publishing rights with the acquisition of Group DCA in the USA, bolstering our digital presence in the medical market. A number of small intangible assets were sold during the year.

As part of a strategic decision to reduce its bank debt, the Group had in the previous year made disposals of office and residential property realising total proceeds of £31.0m. During this financial year agreement was reached to divest of our Teddington Studios site, which was completed on 20 November 2015 for gross proceeds of £85m.

As part of our portfolio rationalisation programme, enabling us to focus on our primary markets, management undertook various actions that resulted in further headcount reductions and other cost saving measures. In the year to 30 June 2015 restructuring costs totalled £2.6m (2014: £3.4m) and given their materiality, these have again been treated as an exceptional restructuring cost.

The Directors have not felt it necessary to make any impairments in the value of acquired publishing rights in the year (2014: impairments of £1.6m were made). In accordance with current UK GAAP it should be noted that the balance sheet does not reflect the value of our overall brand portfolio.

Operating cash inflow for the year to 30 June 2015 was £7.8m (2014: £17.2m - see note 20). The Group's net bank borrowings increased during the year by £4.1m to £92.5m, as investment in the Group's new rental properties started ahead of the completion of the property sale since the year end.

The Directors continue to be cautiously optimistic that, as both the UK and US economies are stable and returning to growth, there will be stability to trading. This is reflected by the relative stability in adjusted EBITDA in these financial statements and also in the current financial year where trading is ahead of budget and there is undoubtedly more business and consumer confidence in the markets that the Group serves.

Haymarket Group Limited

Strategic Report (continued)

Fair review of the business (continued)

In accordance with its debt repayment plan, the Group has made very significant progress since the year-end, with the sale of Teddington Studios for £85m to Pineforth Properties Limited, a wholly-owned subsidiary of City Developments Limited. The Group has now moved out of Teddington Studios to new rented offices in the Twickenham area, with £84m of the sale proceeds being used to repay the term loans outstanding. Post completion of the property sale, bank debt levels are now less than £20m and are expected to remain comfortably within the new banking facility.

Key risks and uncertainties

a) General economic conditions

The Group's largest operations are situated in the UK and the USA, where the economic recovery has continued. The Group's long-established strategy of holding both business-to-business and business-to-consumer products and services in its portfolio, together with the specialist subject matter of those products and services, means that the directors have confidence that the Group's balanced portfolio will allow the Group to benefit. In addition, the Group provides a mix of print, data, digital and face-to-face products and services that best suit both the audience's and clients' needs within each market.

b) Digital

There remains fierce competition and significant opportunity in the digital markets where the Group operates. The Group continues to invest across our digital platforms in order to take advantage of opportunities and address competitive action.

c) Employees

The Group's performance is dependent on its employees and failure to recruit and appropriately develop staff would have an impact on performance. The risk is addressed by investment in the recruitment process, staff training and ensuring that the Group's compensation and benefits are competitive.

d) Financial risks

The financial risks that the Directors consider most applicable to the Group and Company are credit risk, liquidity risk, interest rate risk and, to a lesser extent, currency risk.

The Group's principal financial assets are bank balances and cash, trade and other receivables, and investments. The Group's credit risk is primarily attributable to its trade receivables.

The Group actively monitors amounts owed by its customers by way of comprehensive and detailed information that is supplied regularly to management. The Group has no concentration of credit risk, with its exposure being spread over a large number of clients.

The Group mitigates liquidity risk by assessing working capital requirements against its undrawn facilities to ensure that it has availability of funds for day-to-day operations. The Group uses bank debt finance to ensure that sufficient funds are available for ongoing operations and future developments. As discussed below in this directors' report and in note 15, the Group renegotiated its banking facilities in March 2015 and has since entered into a new four-year facility with Royal Bank of Scotland following the disposal of Teddington Studios.

A proportion of currency risk is hedged with instruments to protect against adverse foreign exchange movements.

Approved by the Board of Directors and signed on behalf of the Board



B J Freeman

Company Secretary

69 London Road, Twickenham, Middlesex, TW1 3SP

18 December 2015

Haymarket Group Limited

Directors' Report

The Directors present their annual report and audited financial statements for the year ended 30 June 2015. The information that fulfils the Companies Act requirements of the business review is included in the Strategic Report. This includes a review of the development of the Group and financial risks during the year, of its position at the end of the year and of the likely future developments in its business.

Board

The Directors and Company Secretary who held office during the year were as follows:

Directors:

K Costello

J D Duckworth - resigned 20 May 2015

D B Fraser

B J Freeman

M Gibson

The Rt Hon the Lord M R D Heseltine CH

The Hon R W D Heseltine

Lord Levene of Portsoken KBE

Company Secretary:

B J Freeman

J D Duckworth resigned on 20 May 2015.

Proposed dividends

Dividends of £1.1m were paid during the year (2014: £nil)

Employees

Details of the number of employees and related costs can be found in note 3 to the financial statements.

The Group provides employees with information on matters relevant to them as employees throughout the year as part of its corporate communications.

The Group is an equal opportunities employer and appoints employees without reference to age, sex, ethnic group or religious beliefs. It is the Group's policy to give full consideration to suitable applications for employment by disabled persons. Where existing employees become disabled, it is the Group's policy wherever practicable, to provide continuing employment under normal terms and conditions and to provide training for positions in the Group where appropriate.

The Group has made qualifying third party indemnity provisions for the benefit of its directors which were made during the year and remain in force at the date of this annual report.

Haymarket Group Limited

Directors' Report (continued)

Environmental matters

Haymarket was the first major publishing company to be certified to the ISO14001 environmental management standard and the Group continues to be assessed by the British Standards Institute (BSI). Haymarket is now being audited for certification for ISO50001 energy management standard as a route to compliance with ESOS (Energy Savings Opportunity Scheme). Successful accreditation is expected in 2015. Haymarket is also audited by the Chartered Institute of Purchasing and Supply's Sustainability Index to benchmark our credentials across environmental, social and economic sustainability.

The Group's position on sustainability also extends to the suppliers it works with. It is proactive about encouraging its suppliers to take their environmental responsibilities seriously and all of the group's major production suppliers are currently certified for ISO14001 (environmental management standard) and ISO9001 (quality management standard). All of Haymarket's titles are printed on paper certified to FSC or PEFC standards.

Haymarket gives all new suppliers the opportunity to state their environmental accreditations when registering as a supplier.

Haymarket worked with the Professional Publishers Association (PPA) and WRAP (Waste and Resources Action Programme) to switch all polythene used for mailing from oxo-degradable grades to fully recyclable polythene under the On-Pack Recycling Label scheme. All polythene used now has guidance for consumers on how to recycle. Haymarket is also working with the PPA to use the Carbon Calculator to measure our carbon footprints across travel and energy.

Haymarket joined the World Wildlife Fund Timber Scorecard that measures use of timber and timber products and gives companies an opportunity to take action and communicate improvements on their buying policies and practices over the long term.

The Group also encourages alternative travel modes such as car-sharing, cycling and motorbikes. The Group operates the Ride To Work scheme which enables staff to purchase discounted bicycles for commuting. Improved video and telephone conferencing have also reduced the need for travel to meetings. The Group continues to work with Transport for London's A New Way to Work scheme in order to further develop the Company's site travel plans and promote alternative means of transport.

Haymarket has introduced a managed Follow Me printer solution, which reduces paper, energy and other consumable use by using fewer printers and encouraging reduced waste and printer usage.

Haymarket is part of the PPA's Sustainability Action Group and work with the PPA to ensure compliance with the UK Government's DEFRA Responsibility Deal. As a result of the initiatives that were put in place, the Group was named Sustainable Publisher of the Year at the PPA Sustainability Awards in 2012, 2013 and 2014.

Share Capital

Details of changes in the Company's share capital after the Balance Sheet date are set out in note 16.

Haymarket Group Limited

Directors' Report (continued)

Going concern basis adopted in preparing financial statements

In March 2015 the Group completed negotiations with its principal lender, the Royal Bank of Scotland (RBS). New banking arrangements were put in place that extended the existing banking arrangements until the completion of the Teddington Studios sale, which completed on 20 November 2015. Following completion of the property sale for £85m, the UK Group has moved into new rented office accommodation, and £84m of the proceeds has been used to repay most of the outstanding term loans. This repayment has triggered a new four year banking facility totalling £33.5m, made up of a term loan of £26m and the balance in revolving credit facilities.

The Directors acknowledge the uncertainty inherent in forecasting advertising and other revenue streams. However, they believe that, having drawn up the Group's latest forecasts, which take into account their view of any adverse variations in trading performance, the Group will have sufficient cash and covenant headroom under the Group's facilities for the foreseeable future.

Hence after considering the Group's current financial projections following the property sale and entering into a new banking facilities arrangement, the Directors consider that the Group will have access to sufficient financial resources to continue in operational existence for the foreseeable future and therefore the directors continue to adopt the going concern basis in preparing the financial statements.

Disclosure of information to the auditor

Each of the persons who is a Director at the date of approving this annual report confirms that:

- (1) so far as the Director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- (2) the Director has taken all the steps that he/she ought to have taken as a director on order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Re-appointment of auditor

Deloitte LLP have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



B J Freeman
Company Secretary
69 London Road, Twickenham
Middlesex TW1 3SP

18 December 2015

Haymarket Group Limited
Directors' responsibilities statement

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent Auditor's report to the members of Haymarket Group Limited

We have audited the financial statements of Haymarket Group Limited for the year ended 30 June 2015 which comprise the Consolidated Profit and Loss Account, the Consolidated and Parent Company Balance Sheets, the Consolidated Cash Flow Statement, the Consolidated Statement of Total Recognised Gains and Losses and the related notes 1 to 27. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' responsibilities statement, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing an audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion these financial statements:

- give a true and fair view of the state of the Group and of the parent company's affairs as at 30 June 2015 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirement of Companies Act 2006.

Independent Auditor's report to the members of Haymarket Group Limited

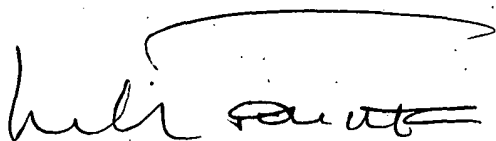
Opinion on other matters prescribed by Companies Act 2006

In our opinion the information given in the Strategic Report and the Director's Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



William Touche (Statutory Auditor)
For and on behalf of Deloitte LLP
Chartered Accountants and Registered Statutory Auditors
London, United Kingdom
18 December 2015

Haymarket Group Limited
Consolidated profit and loss account
for the year ended 30 June 2015

	Notes	2015 £000	2014 £000
Turnover			
Group and share of joint ventures and associates		185,708	188,207
Less: share of joint ventures and associates		(1,421)	(1,199)
Group turnover	2	184,287	187,008
Cost of sales		(142,432)	(148,238)
Gross profit		41,855	38,770
Revaluation of freehold properties		-	1,092
Other operating expenses (net)	4	(37,333)	(35,642)
Net operating expenses		(37,333)	(34,550)
Operating profit before depreciation, amortisation of publishing and exhibition rights and exceptional items ("adjusted EBITDA")		16,321	17,663
Depreciation	10	(5,986)	(5,558)
Amortisation and impairment of publishing and exhibition rights	9	(3,257)	(5,266)
Revaluation of freehold properties		-	1,092
Provision for impairment in investment	11	-	(270)
Exceptional restructuring costs	4	(2,556)	(3,441)
Operating profit	4	4,522	4,220
Share of operating profit of joint ventures and associates	11	509	379
Group operating profit		5,031	4,599
Profit on disposal of tangible fixed assets		140	16,405
Profit on disposal of intangible fixed assets		493	890
Other interest receivable and similar income	5	1,500	704
Interest payable and similar charges	6	(9,978)	(11,522)
(Loss) / profit on ordinary activities before taxation		(2,814)	11,076
Tax (charge)/ credit on (loss) / profit on ordinary activities	7	701	(2,760)
(Loss) / profit on ordinary activities after taxation		(2,113)	8,316
Equity minority interests	19	(35)	(31)
(Loss) / profit for the financial year		(2,148)	8,285

All activities derive from continuing operations.

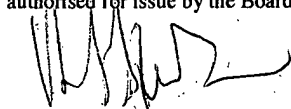
Haymarket Group Limited
Consolidated statement of total recognised gains and losses
for the year ended 30 June 2015

	Notes	2015 £000	2014 £000
(Loss)/profit for the year attributable to the members of Haymarket Group Limited		(2,148)	8,285
Currency translation differences on foreign currency net investments	17	1,520	199
Deferred tax relating to foreign currency translation	17	(107)	(107)
Unrealised revaluation surplus of freehold properties	17	53,735	2,163
		<hr/>	<hr/>
Total recognised gains and losses relating to the year		53,000	10,540
		<hr/> <hr/>	<hr/> <hr/>

Haymarket Group Limited
Consolidated balance sheet
as at 30 June 2015

	Notes	2015	2014
		£000	£000
Fixed assets			
Intangible assets	9	14,165	16,667
Tangible assets	10	99,078	41,906
Investments in joint ventures and associates			
- Gross assets		551	2,790
- Gross liabilities		(387)	(2,555)
	11 (b)	164	235
		113,407	58,808
Current assets			
Stocks	12	755	711
Debtors falling due within one year	13 (a)	41,912	39,246
Debtors falling due after more than one year	13 (b)	5,895	4,329
Cash at bank and in hand		9,741	13,517
		58,303	57,803
Creditors: amounts falling due within one year	14	(154,376)	(155,121)
Net current liabilities		(96,073)	(97,318)
Total assets less current liabilities		17,334	(38,510)
Creditors: amounts falling due after more than one year	15	(13,176)	(9,260)
Equity minority interests	19	(123)	(88)
Net assets / (liabilities)		4,035	(47,858)
Capital and reserves			
Called-up share capital	16	258	259
Capital redemption reserve	17	254	254
Merger reserve	17	6,236	6,236
Revaluation reserve	17	55,898	2,163
Profit and loss account	17	(58,611)	(56,770)
Shareholders' funds / (deficit)		4,035	(47,858)

The financial statements of Haymarket Group Limited (Company registration number 02809261), have been approved and authorised for issue by the Board of Directors on 18 December 2015, and were signed on behalf of the Board by;

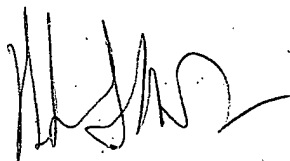


The Rt. Hon. The Lord Heseltine CH
Chairman

Haymarket Group Limited
Company balance sheet
as at 30 June 2015

	Notes	2015	2014
		£000	£000
Fixed assets			
Investments	11 (a)	98,028	98,028
Creditors: amounts falling due within one year	14	<u>(270)</u>	<u>(180)</u>
Net current liabilities		(270)	(180)
Total assets less current liabilities		<u>97,758</u>	<u>97,848</u>
Creditors: amounts falling due after more than one year	15	(37,955)	(36,507)
Net assets		<u><u>59,803</u></u>	<u><u>61,341</u></u>
Capital and reserves			
Called-up share capital	16	258	258
Capital redemption reserve	17	254	254
Profit and loss account	17	59,291	60,829
Shareholders' funds	18	<u><u>59,803</u></u>	<u><u>61,341</u></u>

The financial statements of Haymarket Group Limited (Company registration number 02809261), have been approved and authorised for issue by the Board of Directors on 18 December 2015, and were signed on behalf of the Board by:



The Rt. Hon. The Lord Heseltine CH
Chairman

Haymarket Group Limited
Consolidated cash flow statement
for the year ended 30 June 2015

	Notes	2015		2014	
		£000	£000	£000	£000
Net cash inflow from operating activities	20		7,771		17,234
Dividends received from joint ventures and associated undertakings			584		400
Returns on investments and servicing of finance					
Interest received		72		55	
Interest paid		<u>(8,326)</u>		<u>(9,247)</u>	
Net cash outflow from returns on investments and servicing of finance			(8,254)		(9,192)
Taxation					
UK and overseas corporation tax received / (paid)			859		551
Capital expenditure and financial investment					
Purchase of tangible fixed assets	10	(4,661)		(5,359)	
Purchase of intangible fixed assets		(1,040)		-	
Purchase of investments		-		(250)	
Proceeds from sale of investments		-		437	
Proceeds from sale of tangible fixed assets		700		31,019	
Proceeds from sale of intangible fixed assets		<u>1,007</u>		<u>8,194</u>	
Net cash (outflow)/inflow from capital expenditure and financial investment			(3,994)		34,041
Equity dividends paid			<u>(1,100)</u>		-
Net cash (outflow)/inflow before financing			<u>(4,134)</u>		<u>43,034</u>
Financing					
Issue of preference shares		-		6,000	
Payment for redemption of ordinary shares		-		(10,139)	
Capitalised interest		1,267		-	
Refinancing fees		-		(685)	
Bank loans drawdown		-		1,508	
Bank loans repaid		<u>(1,520)</u>		<u>(34,000)</u>	
Net cash outflow from financing			(253)		(37,316)
(Decrease)/Increase in cash	22		<u><u>(4,387)</u></u>		<u><u>5,718</u></u>

Haymarket Group Limited
Notes to the financial statements
For the year ended 30 June 2015

1 Accounting policies

Basis of preparation

The financial statements have been prepared under historical cost convention as amended for the revaluation of freehold land and buildings in accordance with United Kingdom law and accounting standards. The particular accounting policies adopted by the Directors are consistent with the prior year and are described below. In preparing the financial statements the directors have adopted the going concern basis, as explained in the Directors' Report.

The balance sheet as at 30 June 2015 has been prepared using Companies Act format I .

Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings for the year ended 30 June 2015.

The Group's share in associates is accounted for using the equity method of accounting. The consolidated profit and loss account includes the Group's share of the pre-tax profits or losses and attributable taxation.

Going Concern

In March 2015 the Group completed negotiations with its principal lender, the Royal Bank of Scotland (RBS). New banking arrangements were put in place that extended the existing banking arrangements until the completion of the Teddington Studios sale, which completed on 20 November 2015. Following completion of the property sale for £85m the UK Group has moved to new rented office accommodation, and £84m of the proceeds has been used to repay most of the outstanding term loans. The repayment has triggered the introduction of a new four year banking facility totalling £33.5m, made up of a £26m term loan and the balance in revolving credit facilities.

The directors acknowledge the uncertainty inherent in forecasting advertising and other revenue streams. However, they believe that, having drawn up the Group's latest forecasts, which take into account their view of adverse variations in trading performance, the Group will have sufficient cash and covenant headroom under the group's facilities for the foreseeable future.

Accordingly, after considering the Group's current financial projections following the property sale and entering into new banking facilities, the directors consider that the Group will have access to sufficient financial resources to continue in operational existence for the foreseeable future and therefore the directors continue to adopt the going concern basis in preparing the financial statements.

Intangible assets

Publishing and exhibition rights, whether acquired as assets or as a business combination, are held at cost less any provision for impairment in value and are amortised on a straight-line basis over the economic life of the asset normally estimated to be between 5 and 20 years. Acquired non-compete agreements are amortised over the effective period of that agreement.

Tangible assets

Tangible fixed assets are stated at cost or valuation net of depreciation and any provision for impairment.

Short leasehold properties are amortised over the period of the lease. No depreciation is usually charged on freehold land, which is held at cost. When it has proved impossible to obtain a split between land and buildings for a property then the full cost has been depreciated. Other assets are depreciated by equal annual instalments over the anticipated lives of the assets as follows:

Freehold properties	50 years
Vehicles, furniture and equipment	4 - 5 years
IT infrastructure and equipment	3-5 years
Website development	1-3 years

1 Accounting policies (continued)

Office freehold properties are revalued annually, surpluses or deficits on individual properties are transferred to the revaluation reserve, except that a deficit which is expected to be permanent or which is in excess of any previously recognised surplus over cost relating to the same property, or the reversal of such a deficit, is charged (or credited) to the profit and loss account. Agricultural and residential properties are shown at cost less accumulated depreciation.

Eligible website development costs are capitalised only to the extent that they lead to the creation of an enduring asset delivering benefits at least as great as the amount capitalised. If there is insufficient evidence on which to base reasonable estimates of the economic benefits website development costs are charged to the profit and loss account as incurred.

Investments

Investments are stated at cost less any provision for impairment.

Stocks

Stocks are valued at the lower of cost and net realisable value. Stocks of magazine back issues are not valued. Agricultural stock is included at independent professional valuation.

Turnover

Turnover represents amounts receivable for goods and services net of sales tax and trade discounts.

All revenue arising from magazine publishing is recognised on the date of publication. Revenue from face-to-face activities such as exhibitions, conferences and other events is recognised on the date of the event. Revenue from online advertising is recognised over the period of the advertising contract.

Cost of Sales

Cost of Sales represents amounts payable for goods and services net of sales tax and trade discounts.

Costs arising from magazine publishing, other than staff costs, are recognised on the date of publication. All costs relating to exhibitions, conferences and other events are recognised on the date of the event. Costs relating to online activities are recognised in the period in which they are incurred.

Finance Costs

Finance costs are accrued on a time basis, by reference to the direct issue costs and principal amounts outstanding and at the effective interest rate applicable, which is the rate that exactly discounts the direct costs and estimated future cash payments through the expected life of the financial liability to that asset's net carrying amount.

Investment income

Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are differences between the Group's taxable profits and its results as stated on the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets unless there is a binding agreement to sell the revalued assets and the gain or loss on sale has been recognised in the financial statements, and also where assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged only to tax if and when the replacement asset is sold. Deferred tax is recognised in respect of earning of overseas subsidiaries and associate undertakings, only to the extent that, dividends have been accrued and a binding agreement to distribute past earnings in future has been entered into by the subsidiary or associate. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Financial instruments

The Group uses financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The Group does not hold or issue derivative financial instruments for speculative purposes.

Gains and losses arising from forward foreign exchange hedging contracts are deferred and recognised in the profit and loss account upon settlement.

The differential on amounts due to and from the Group on interest rate swaps is accrued until settlement date and recognised as an adjustment to the interest expense.

Gains and losses on financial instruments for hedging purposes with maturities beyond the materiality of the underlying hedged exposure are not marked to market, provided the underlying exposure is expected to be renewed.

Haymarket Group Limited
Notes to the financial statements
For the year ended 30 June 2015

1 Accounting policies (continued)

Foreign currencies

Foreign currency assets and liabilities are translated into sterling at the rates of exchange ruling at the balance sheet date. Exchange differences are dealt with in the profit and loss account. The financial statements of foreign subsidiary undertakings are translated into sterling at the rates of exchange prevailing at the balance sheet date and the differences arising from the translation of the opening net investment in subsidiary undertakings at the closing rates are taken directly to reserves.

Where foreign currency loans finance an overseas net investment the associated exchange movement is taken to reserves to match the movement on the net investment.

Pension costs

The Group operates defined contribution pension schemes. Pension costs are charged to the profit and loss account in the period in which they become payable.

Operating leases

Rentals are charged to the profit and loss account in equal annual amounts over the lease term.

2 Analysis of turnover, operating (loss)/profit and net assets/(liabilities)

Geographical analysis by location is as follows:

	Turnover		(Loss)/profit before taxation	
	2015	2014	2015	2014
	£000	£000	£000	£000
United Kingdom	115,652	119,872	(4,291)	10,700
USA	46,489	39,935	4,291	2,764
Other countries	22,146	27,201	(2,814)	(2,388)
	<u>184,287</u>	<u>187,008</u>	<u>(2,814)</u>	<u>11,076</u>

	Net (liabilities) / assets	
	2015	2014
	£000	£000
United Kingdom	(29,321)	(88,830)
USA	25,988	24,694
Other countries	7,368	16,278
	<u>4,035</u>	<u>(47,858)</u>

3 Information regarding directors and employees

	2015	2014
	£000	£000
	Staff costs during the period/year (including directors)	
Wages and salaries	72,285	71,460
Social security costs	5,923	5,675
Pension costs	2,367	2,541
	<u>80,575</u>	<u>79,676</u>

Haymarket Group Limited
Notes to the financial statements
For the year ended 30 June 2015

3 Information regarding directors and employees (continued)

	2015	2014
	No.	No.
Average number of persons employed by the Group (including Directors)	<u>1,662</u>	<u>1,705</u>

The company itself had no employees in either the year ended 30 June 2015 or the prior year.

The principal pension scheme operated by the Group is a defined contribution scheme in which eligible employees participate in personal pension plans to which the company contributes 1% - 12.5% and the employees contribute a minimum of 1% of relevant earnings. The assets of the individual plans are held separately from those of the company in independently administered funds. There were no unpaid contributions as at 30 June 2015.

	2015	2014
Directors' emoluments		
Emoluments	<u>3,328</u>	<u>2,482</u>
Remuneration of highest paid director	<u>1,162</u>	<u>634</u>

There are defined contribution pension plans for the benefit of three Directors (2014: four). The contributions in total for the year were £188,000 (2014: £204,000). Included in the remuneration of the highest paid Director are pension contributions of £61,000 (2014: £48,000).

4 Operating profit

	2015	2014
	£000	£000
This is stated after charging/ (crediting):		
Administrative expenses:		
Amortisation and impairment of publishing and exhibition rights (note 9)	3,257	5,266
Other administrative expenses	<u>34,076</u>	<u>30,376</u>
Total Administrative expenses	37,333	35,642
Depreciation of owned fixed assets (see note 10)	5,986	5,558
Operating lease rentals - land and buildings	1,211	1,746
- motor vehicles	248	230
- plant and machinery	47	63
Fees payable to the company's auditor for the audit of the Group's financial statements:		
- Group	319	329
- Company	8	8
Fees payable to the company's auditor for other services to the group:		
- Tax services	199	202
- Corporate Finance services	130	92
Exceptional restructuring costs	<u>2,556</u>	<u>3,441</u>

The exceptional restructuring costs in both years arose as a result of separate reviews of underperforming activities and include reductions in staffing levels.

As a result of these exceptional items the Group's current taxation charge for the year has been reduced by £355,000 (2014: £693,000) and the deferred tax credit has increased by £nil (2014: £nil).

Haymarket Group Limited
Notes to the financial statements
For the year ended 30 June 2015

5 Other interest receivable and similar income	2015	2014
	£000	£000
Bank interest receivable and similar income	72	55
Foreign exchange differences on intra-group loans and currency bank accounts	1,428	649
	<u>1,500</u>	<u>704</u>

6 Interest payable and similar charges	2015	2014
	£000	£000
Bank loan and overdraft interest	8,212	9,067
Other interest payable	114	180
Foreign exchange differences on intra-group loans	1,652	2,275
	<u>9,978</u>	<u>11,522</u>

7 Tax

(a) Tax on profit on ordinary activities

	2015	2014
	£000	£000
The tax is made up as follows:		
<i>Current tax:</i>		
UK corporation tax @ 20.5% (2014: 22.5%)	-	1,623
Adjustments in respect of UK previous periods	(444)	(195)
Overseas taxation	282	(16)
Adjustments in respect of overseas previous periods	(314)	491
Total current tax	<u>(476)</u>	<u>1,903</u>
<i>Deferred tax:</i>		
Effect of reduction in statutory tax rate on opening asset	-	124
Deferred tax (credit)/charge	(214)	635
Adjustments in respect of previous periods	(11)	98
Total deferred tax (credit) / charge	<u>(225)</u>	<u>857</u>
Tax on profit on ordinary activities	<u>(701)</u>	<u>2,760</u>

Haymarket Group Limited
Notes to the financial statements
For the year ended 30 June 2015

7 Tax (continued)

The standard rate of current tax for the period, based on the UK standard rate of corporation tax is 20.75% (2014: 22.5%). The current tax charge for the period differs from this rate for the reasons set out in the following reconciliation:

	2015	2014
	£000	£000
(Loss) / profit on ordinary activities before tax	<u>(2,814)</u>	<u>11,076</u>
Tax at 20.75% (2014: 22.5%) thereon:	(584)	2,492
Factors affecting charge for the current year		
- Expenses not deductible for tax purposes	175	815
- Accelerated capital allowances /other timing differences	164	561
- Non deductible impairments	(36)	-
- Non-deductible depreciation/amortisation on assets not qualifying for capital allowances	663	935
- Sale of freehold office properties	(62)	(3,438)
- Non-taxable income	-	(197)
- Unutilised overseas tax losses	167	496
- Unutilised tax losses	(10)	-
- US state and city taxes	-	44
- Profit on sale of investments	124	-
- Adjustment in respect of prior years	(758)	296
Overseas losses b/fwd	<u>(319)</u>	<u>(101)</u>
Current tax (credit) / charge for the period	<u><u>(476)</u></u>	<u><u>1,903</u></u>

(b) Deferred tax

There is a Group deferred tax liability recognised of £5,895,000 (2014: £nil) and Group deferred tax asset of £5,995,000 (2014: £4,621,000). The Company has no deferred tax assets or liabilities (2014: £nil). The Group assets and liabilities relate to the following amounts:

	Deferred tax asset		Deferred tax liability	
	2015	2014	2015	2014
	£000	£000	£000	£000
Accelerated capital allowances	1,235	1,089	-	-
Other timing differences	2,123	1,706	712	-
US tax losses and deferred interest deductions	2,537	1,826	-	-
Revaluation of property	-	-	5,283	-
	<u>5,895</u>	<u>4,621</u>	<u>5,995</u>	<u>-</u>

The movement on the net deferred tax asset / liability recognised during the period was as follows:

	Group £000
Net balance at 1 July 2014	4,621
Deferred tax credit / (charge) - included in profit & loss account	225
- effect of FX differences on re-translation	336
- Included in the STRGL	<u>(5,282)</u>
Net balance at 30 June 2015	<u><u>(100)</u></u>

Haymarket Group Limited
Notes to the financial statements
For the year ended 30 June 2015

7 Tax (continued)

The above deferred tax assets have been recognised as it is considered to be more likely than not that the Group will generate sufficient future taxable profits in the jurisdictions against which these items can be recovered.

Deferred tax assets or liabilities have been recognised as appropriate at either the UK rate of 20% or the US combined federal and state tax rate of 38% in these financial statements.

The UK rate of 20% is the rate that will be effective from 1 April 2015 which was enacted before the balance sheet date.

There is also an unrecognised net deferred tax asset in the Group of £743,000 (2014: £2,023,000) comprising the following:

	2015	2014
	£000	£000
Unutilised overseas tax losses	1,527	1,288
Unutilised UK tax losses	1,032	863
Gain deferred by rollover relief	(458)	(386)
Capital losses	-	207
Accelerated capital allowances	49	51
	<u>2,150</u>	<u>2,023</u>

Deferred tax has not been provided for gains rolled over into replacement assets as gains or losses have not yet been realised in respect of these assets. The deferred tax liability arising on the revaluation of freehold office property has been charged to the revaluation reserve.

Deferred tax has not been provided for part of the Group's unutilised losses, as there is insufficient evidence that these losses will be offset against future taxable profits.

8 Loss attributable to members of the company

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the Company is not presented as part of these financial statements.

The company's loss for the year to 30 June 2015 was £252,000 (2014: profit of £362,000).

Haymarket Group Limited
Notes to the financial statements
For the year ended 30 June 2015

9 Intangible assets

	Publishing and exhibition rights
Group	£000
Cost	
At 1 July 2014	93,359
Additions	1,040
Disposals	(5,358)
Foreign exchange translation differences	1,660
At 30 June 2015	<u>90,701</u>
Accumulated amortisation	
At 1 July 2014	76,692
Provided during the year	3,257
Disposals	(4,817)
Foreign exchange translation differences	1,404
At 30 June 2015	<u>76,536</u>
Net book value	
At 30 June 2015	<u>14,165</u>
At 30 June 2014	<u>16,667</u>

In accordance with Group policy, management conducted an impairment review of its intangible assets using a 5-year discounted cashflow analysis with a terminal value, assuming a weighted average cost of capital of 10.9% and growth rates of between 0% and 3%. The review did not indicate any impairment losses.

During the year the Group disposed of a number of intangible assets for proceeds of £1,007,000.

The Company has no intangible fixed assets.

10 Tangible fixed assets

Group	Freehold properties £000	Short leasehold properties £000	Website development costs	Vehicles, furniture and equipment £000	Total £000
Cost					
At 1 July 2014	40,649	1,496	4,089	22,305	68,539
Foreign exchange translation differences	-	108	-	145	253
Additions	1,875	124	1,656	1,006	4,661
Revaluations	59,018	-	-	-	59,018
Disposals	(508)	(87)	(1,489)	(2,054)	(4,138)
At 30 June 2015	<u>101,034</u>	<u>1,641</u>	<u>4,256</u>	<u>21,402</u>	<u>128,333</u>
Accumulated depreciation					
At 1 July 2014	6,429	1,052	2,076	17,076	26,633
Foreign exchange translation differences	-	(13)	-	64	51
Provided during the year	1,852	287	1,481	2,366	5,986
Disposals	(113)	(87)	(1,485)	(1,730)	(3,415)
At 30 June 2015	<u>8,168</u>	<u>1,239</u>	<u>2,072</u>	<u>17,776</u>	<u>29,255</u>
Net book value					
At 30 June 2015	<u>92,866</u>	<u>402</u>	<u>2,184</u>	<u>3,626</u>	<u>99,078</u>
At 30 June 2014	<u>34,220</u>	<u>444</u>	<u>2,013</u>	<u>5,229</u>	<u>41,906</u>

The Company has no tangible fixed assets.

Haymarket Group Limited
Notes to the financial statements
For the year ended 30 June 2015

10 Tangible fixed assets (continued)

Freehold properties at 30 June 2015 comprise a freehold office property at its sale contract price, net of selling costs, of £84,000,000 (2014: £26,000,000) and residential and agricultural freehold properties at depreciated cost of £8,866,000 (2014: £8,220,000). The sale of the freehold office property was completed on 20 November 2015.

The net book value of freehold properties comprises land of £4,064,000 (2014: £3,485,000) and properties for which no split can be obtained of £88,802,000 (2014: £30,735,000). During the year the company sold freehold properties for total proceeds of £715,000.

	Freehold office properties £000
The comparable amounts for properties at valuation determined according to the historical cost convention:	
Cost	29,105
Accumulated depreciation	(5,943)
Net book value at 30 June 2015	<u>23,162</u>
Net book value at 30 June 2014	<u>23,036</u>

11 Investments held as fixed assets

a) Shares in subsidiary undertakings

	Company	
	2015	2014
	£000	£000
At 1 July	98,028	98,028
Provision for impairment	-	
At 30 June	<u>98,028</u>	<u>98,028</u>

In accordance with Group policy, management conducted an impairment review of the Company's investments using a 5-year discounted cashflow analysis with a terminal value, assuming a weighted average cost of capital of 10.9% and growth rates of 0% to 3%. The review indicated no net impairment loss (2014: £nil).

A complete list of the company's subsidiary undertakings is shown in note 27.

Haymarket Group Limited
Notes to the financial statements
For the year ended 30 June 2015

11 Investments held as fixed assets (continued)

b) Joint venture and associated undertakings

Group

	£000
Share of net assets	
At 1 July 2014	235
Foreign exchange translation differences	4
Dividend received	(584)
Share of retained profit	509
At 30 June 2015	<u>164</u>

Details of investments representing more than 10% of the company's issued share capital:

Joint ventures

Asian Advertising Festival Pte	Singapore	50%	Event organiser
East Haymarket Pte Ltd.	Singapore	50%	Market research in financial services sector

Associates

	incorporated, registered and operating	Percentage of equity held	Principal activity
Frontline Limited	Great Britain	Ordinary 'A' shares 5% Ordinary 'C' shares 100% Ordinary 'E' shares 25% Ordinary 'F' shares 17%	Distribution of magazines

The Group's interests in associates are held by a subsidiary undertaking.

e) Transactions with associated undertakings and joint ventures

Frontline Limited is the Group's agent in relation to the sale of publications to third parties. Distribution services totalling £2,325,000 (2014: £1,876,000) were provided to the Group by Frontline Limited during the year to 30 June 2015.

Amounts owed from and to associated undertakings are shown in notes 13 and 15 to the financial statements.

Haymarket Group Limited
Notes to the financial statements
For the year ended 30 June 2015

12 Stocks	2015	2014
	£000	£000
Group		
Raw materials and consumables	755	711

Raw materials and consumables include £232,000 (2014: £226,000) of agricultural stocks which are included at independent professional valuation.

The balance represents stocks of paper for which, in the Directors' opinion, the replacement cost does not differ significantly from the value included in the financial statements.

13 Debtors	Group	
	2015	2014
	£000	£000
(a) Amounts due within one year		
Trade debtors	23,537	25,121
Amounts owed by joint ventures and associated undertakings	593	418
Other debtors	672	1,273
Prepayments and accrued income	16,328	10,599
Corporation Tax	782	1,835
	<u>41,912</u>	<u>39,246</u>

Prepayments and accrued income include £1,889,000 (2014: £2,145,000) owed by Frontline Limited.

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
(b) Amounts due after more than one year				
Other debtors	-	1	-	-
Deferred tax (note 7b)	5,895	4,328	-	-
	<u>5,895</u>	<u>4,329</u>	<u>-</u>	<u>-</u>

Haymarket Group Limited
Notes to the financial statements
For the year ended 30 June 2015

14 Creditors: amounts falling due within one year

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Bank overdraft	3,721	3,110	-	-
Bank loans	98,570	98,823	-	-
Bank loans and overdrafts	102,291	101,933	-	-
Trade creditors	4,121	4,158	-	-
Accruals and deferred income	42,633	45,356	270	180
Other creditors including taxation and social security	5,331	3,674	-	-
	<u>154,376</u>	<u>155,121</u>	<u>270</u>	<u>180</u>
Other creditors including taxation and social security:				
UK corporation tax	2,001	-	-	-
Other taxation and social security	1,956	2,433	-	-
Other creditors	1,374	1,241	-	-
	<u>5,331</u>	<u>3,674</u>	<u>-</u>	<u>-</u>

Accruals and deferred income includes deferred income of £21,490,000 (2014: £22,841,000), all of which is due within one year.

During the year the Group entered into the following transactions with its directors:

	Lord Heseltine	S.P. Tindall
	£	
Personal costs paid for by the Group and fully reimbursed		
2015	99,000	-
2014	172,000	31,000

Details of transactions involving share purchases from directors by the company are disclosed in note 16.

15 Creditors: amounts falling due after one year

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
Deferred tax (note 7b)	5,995	-	-	-
3% Redeemable £1 preference shares	6,000	6,000	6,000	6,000
Accruals and deferred income	-	-	31,955	30,507
Amounts owed to subsidiary undertakings	1,181	1,184	-	-
Accruals and deferred income	-	2,076	-	-
Corporation Tax	-	-	-	-
	<u>13,176</u>	<u>9,260</u>	<u>37,955</u>	<u>36,507</u>

Haymarket Group Limited
Notes to the financial statements
For the year ended 30 June 2015

15 Creditors: amounts falling due after one year (continued)

The bank loans and overdrafts are secured by a fixed and floating charge over the assets of the Group.

As at 30 June 2015 the Group's bank facilities totalled £104,000,000 (as at 30 June 2014: £104,000,000), made up of term loans and a revolving credit facility of £5,000,000 for general working capital purposes. The facilities bore interest at LIBOR, with margins of between 2.75% and 4.5%.

Since the balance sheet date, the completion of the Teddington Studios sale to Pineforth Properties Limited on 20 November 2015 has meant that a repayment of £84,000,000 has been made against the term loans. On 25 November new bank facilities totalling £33,500,000 became available. These new facilities are made up of term loans of £26,000,000 and a revolving facility of £7,500,000 with an expiry date of 31 December 2019, bearing interest at LIBOR plus a margin of 2.0 to 4.25%, dependent on leverage ratio from time to time. Loan repayments of £2,500,000 per annum are due on a quarterly basis commencing 30 September 2016.

The Group has a policy of fixing the interest cost of an element of its bank debt. For this reason the Group has entered into a number of interest rate hedging instruments. The notional principal of the two remaining instruments at 30 June 2015 totalled £70,000,000; one with a notional principal amount of £50,000,000 which expires on 30 June 2016 and the other with a notional principal amount of £20,000,000 expiring on 20 November 2017. A valuation of these instruments was carried out as at 30 June 2015 to calculate their market value. Fair value is based on market price of comparable instruments at the balance sheet date.

Fair value liability	2015	2014
	£000	£000
Interest rate swaps	4,174	6,169

16 Called-up share capital

1p Ordinary shares allotted,
called up and fully paid:

	No.	£'000
At 1 July 2014 and 30 June 2015	25,796,410	258

On 10 August 2015, as part of a group restructuring exercise, the company capitalised reserves of £53,578,000 by issuing 53,578,000 bonus shares of £1 each. On the same date the company undertook a capital reduction of £53,578,000, cancelling the bonus shares issued.

The Rt. Hon the Lord Heseltine and his family have a controlling interest in the company.

Haymarket Group Limited
Notes to the financial statements
For the year ended 30 June 2015

17 Statement of movement on reserves

Group				
	Capital redemption reserve £000	Merger reserve £000	Revaluation reserve £000	Profit and loss account £000
At 1 July 2014	254	6,236	2,163	(56,770)
Loss for the financial year	-	-	-	(2,148)
Currency translation differences on foreign currency net investments	-	-	-	1,413
Revaluation of freehold properties	-	-	53,735	-
Disposal of revalued freehold properties	-	-	-	-
Redemption of share capital	-	-	-	(6)
At 30 June 2015	<u>254</u>	<u>6,236</u>	<u>55,898</u>	<u>(58,611)</u>

Company			
		Capital redemption reserve £000	Profit and loss account £000
At 1 July 2014		254	60,829
Loss for the financial year		-	(432)
Dividends paid		-	(1,100)
Redemption of share capital		-	(6)
At 30 June 2015		<u>254</u>	<u>59,291</u>

The merger reserve has arisen on the acquisition of subsidiary companies in prior years.

Following the capitalisation of reserves and capital reduction referred to in note 16, the Directors consider that all of the Company's profit and loss account is distributable (2014: £7,324,000).

Haymarket Group Limited
Notes to the financial statements
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18 Reconciliation of movements in equity shareholders' funds/(deficit)

	Group		Company	
	2015	2014	2015	2014
	£000	£000	£000	£000
(Loss) / profit for the financial year	(2,148)	8,285	(432)	290
Other recognised gains and losses relating to the year (net)	55,147	2,256	-	-
Dividends	(1,100)	-	(1,100)	-
Adjustment to revaluation reserve on disposal of freehold properties	-	(16,727)	-	-
Redemption of share capital	(6)	5,845	(6)	5,845
	<u>51,893</u>	<u>(341)</u>	<u>(1,538)</u>	<u>6,135</u>
Net increase / (reduction) in shareholders' funds				
Opening shareholders' funds/(deficit)	(47,858)	(47,517)	61,341	55,206
Closing shareholders' funds/(deficit)	<u>4,035</u>	<u>(47,858)</u>	<u>59,803</u>	<u>61,341</u>

19 Minority interests

	£000
At 1 July 2014	88
Profit on ordinary activities after taxation	35
	<u>123</u>
At 30 June 2015	<u>123</u>

20 Reconciliation of operating profit to net cash inflow from operating activities

	2015	2014
	£000	£000
Operating profit	4,522	4,220
Depreciation	5,986	5,558
Revaluation of freehold properties	-	(1,092)
Amortisation and impairment of publishing and exhibition rights	3,257	5,516
(Increase)/decrease in debtors	(2,518)	10,873
(Increase)/decrease in stocks	(44)	330
Decrease in creditors	(3,432)	(8,171)
Net cash flow from operating activities	<u>7,771</u>	<u>17,234</u>

Haymarket Group Limited
Notes to the financial statements
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21 Analysis of changes in financing during the year

	Bank loans	Bank loans
	2015	2014
	£000	£000
Balance at 1 July	98,823	132,000
Cash outflow from financing	(253)	(33,177)
Balance at 30 June	<u>98,570</u>	<u>98,823</u>

22 Reconciliation of net cash flow to movement in net debt

	2015	2014
	£000	£000
(Decrease)/Increase in cash in the year	(4,387)	5,718
Cash inflow from debt financing	253	33,177
Change in net debt resulting from cashflows	<u>(4,134)</u>	<u>38,895</u>
Movement in net debt in the year	(4,134)	38,895
Net debt at beginning of year	(88,416)	(127,311)
Net debt at end of year	<u>(92,550)</u>	<u>(88,416)</u>

23 Analysis of net debt

	At 1 July 2014	Cash flow	Foreign exchange movement	At 30 June 2015
	£000	£000	£000	£000
Cash at bank and in hand	13,517	(3,776)	-	9,741
Overdrafts	(3,110)	(611)	-	(3,721)
Bank loans due within one year	<u>(98,823)</u>	253	-	<u>(98,570)</u>
	(88,416)	(4,134)	-	(92,550)
Debt due after one year:				
Bank loans	-	-	-	-
	<u>(88,416)</u>	<u>(4,134)</u>	<u>-</u>	<u>(92,550)</u>

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24 Capital commitments

There were capital commitments at 30 June 2015 of £3,850,000 (2014: £nil) relating to improvements to the Group's new office premises. There were no capital commitments relating to the company on either date.

25 Operating lease commitments

As at 30 June 2015 the group was committed to making the following payments during the next year in respect of non-cancellable operating leases:

2015	Motor vehicles £000	Plant and Machinery £000	Land and buildings £000	Total £000
Leases which expire:				
Within one year	125	15	258	398
Within two to five years	108	22	1,051	1,181
After five years	-	53	1,261	1,314
Total	233	90	2,570	2,893
2014	Motor vehicles £000	Plant and Machinery £000	Land and buildings £000	Total £000
Leases which expire:				
Within one year	6	1	-	7
Within two to five years	235	59	1,375	1,669
After five years	-	-	172	172
Total	241	60	1,547	1,848

26 Post balance sheet events

Post Balance Sheet events relating to the disposal of freehold property are shown in note 10. Those relating to changes in the Company's share capital are shown in note 16.

27 Subsidiary and associated undertakings

As at 30 June 2015, the company's subsidiary undertakings, all of which (unless noted otherwise below) are registered in England and Wales and operate principally in Great Britain, were as follows:

Principal subsidiary undertakings		Country where incorporated and operating	Percentage of equity held	Principal activity
Haymarket Media Group Limited	[1]	Great Britain	100%	Magazine and online publishing
Thenhurst Agricultural Ltd.	[1]	Great Britain	100%	Agriculture and horticulture
Haymarket Group Properties Ltd	[1]	Great Britain	100%	Freehold property
Haymarket Media India Pvt. Ltd.	[4]	India	100%	}
Haymarket SAC Pvt. Ltd.		India	75%	}
Haymarket Media Inc.	[2]	USA	100%	} Magazine and online publishing
Haymarket Media Ltd.	[3]	Hong Kong	100%	}
Haymarket Media GmbH & Co KG	[4]	Germany	100%	}

[1] Shares held by Haymarket Finance Limited

[2] Shares held by Haymarket Medical Publications Limited

[3] Shares held by Haymarket Media Asia Limited

[4] Shares held by Haymarket Worldwide Limited

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27 Subsidiary and associated undertakings (contd.)

Other subsidiary undertakings (all wholly-owned)	Country where incorporated and operating (Great Britain unless otherwise noted)	Principal activity (Dormant unless otherwise noted)
Car Accessory Trader Limited		
CPS Communications LLC	USA	
Development Control Services Limited		
Haymarket Business Publications Limited		
Haymarket Business Publications LLC	USA	
Haymarket Connect Limited		
Haymarket Consumer Media Limited		
Haymarket Events Pty Limited	Australia	
Haymarket Exhibitions Limited		
Haymarket Finance Limited		
Haymarket Group Investments Limited		
Haymarket Leasing Services Limited		
Haymarket Media GmbH	Germany	
Haymarket Media Limited		
Haymarket Media Asia Limited	Hong Kong	
Haymarket Media Investments Limited	Australia	
Haymarket Media Pte Limited	Singapore	Magazine and online publishing
Haymarket Media Pty Limited	Australia	
Haymarket Medical Education LP	USA	
Haymarket Medical Publications Limited		
Haymarket Network Limited		
Haymarket Press Limited		
Haymarket PR Publications LLP		Magazine and online publishing
Haymarket Publishing Limited		
Haymarket Publishing Services Limited		Holding company
Haymarket Review Limited		
Haymarket UK 1		Holding company
Haymarket UK2 Limited		Holding company
Haymarket Verwaltungs GmbH	Germany	
Haymarket Worldwide Limited		Holding company
Haymarket Worldwide LLC	USA	
H Media LLC	USA	
HME Global Education LP	USA	
Management Publications Limited		
Periodical Collections Limited		
Planning Publications Limited		
PR Publications Limited.		Holding company
PR Publications LLC	USA	
Prescribing Reference LLC	USA	
PRI Healthcare Solutions LP	USA	
Teesdale Publications Limited.		
Teddington Properties Limited		
West Coast Publishing Limited		
Windpower Monthly News Magazine A/S	Denmark	